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EDUCATION IN THE BALTIC REGION

Viktor Voronov

ECONOMIC CONSCIOUSNESS AND THE SYSTEM OF VALUES OF LATVIAN UNIVERSITY GRADUATES

The article analyses the attitude of a Latvian university's graduates to wealth and means of its acquisition, as well as their assessment of their own economic status and preferred moves in case of unemployment. The author estimates the university graduates' personal capabilities; their interests, skills and qualifications, the extent of their reliance on their own initiative and resources, and their confidence about the future. The article defines the graduates' economic interests forming motivations and approaches to practical economic behavior according to certain types of economic consciousness.

Key words: economic consciousness, economic behavior, values, motivation.

This research is aimed at estimating the condition (level and character) of economic consciousness and systems of values of Latgale university graduates. Latgale is the easternmost region of Latvia, which borders on Russia (the Pskov region), Belarus, and Lithuania. The administrative centre of the region is Daugavpils, the second largest city of Latvia in terms of population. The key feature that distinguishes Latgale from other regions of the country (Courland, Vidzeme, Zemgale) is the apparent Slavic mentality (Russians, Belarusians, Poles, and Ukrainians live close together there); as the region had been part of the Pskov and Vitebsk governorates of the Russian Empire over approximately 150 years, today people share the language of communication and traditions. There are two state regional higher education institutions in Latgale: Daugavpils University and Rēzekne Higher School; there are also the branches of the University of Latvia and Riga Technical University. Moreover, the branches of six private higher education institutions function in the cities of Latgale (Daugavpils, Rēzekne, Jēkabpils, Balvi). In total, there are 34 (19 state and 15 private) higher education institutions in Latvia. International (Scandinavian, Russian and other) higher education institutions have also opened their branches in the country.

The state strategy in the field of higher education aims to increase the quality and competitiveness of labour force in the regions, for it is an important instrument of reducing regional disparities and ensuring even territorial development of Latvia. Cooperation with higher education institutions of the EU and CIS states is encouraged to promote mobility and exchange projects. Alongside with the academic connections with EU universities - for example, Torun University in Poland - Latgale's largest regional higher education, Daugavpils University, concluded agreements with some faculties of Moscow and Saint Petersburg State Universities, Pskov University, etc. This programmes can also be attractive for Russian students: Latvia has recently acceded to the EU; there is a common language of communication; the quality of education is at the European level; special attention is paid to practice instead of focusing solely on academic knowledge.

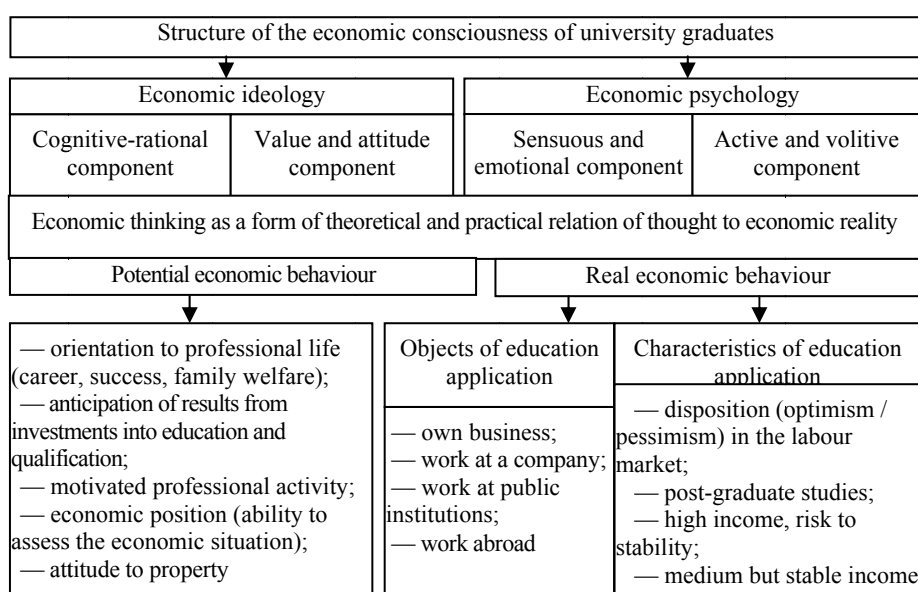
The empirical base for the first research on this topic in Latvia was formed by a survey among Latgale university graduates (13% of Latvian total) conducted in late May-early June 2008 by the Centre for economic projects of the Institute of Social Studies at Daugavpils University on the basis of the specially designed programme "Economic consciousness of the graduates of regional universities". 241 graduates of full-time bachelor and master study programmes from the Faculties of Social Science, Humanities, Natural Science and Mathematics, and Engineering at Daugavpils University, Rēzekne Higher School, and two regional branches of other Latvian universities were included in a *quota sample* based on age, gender, and field of study. According to the statistics of the Ministry of Education and Science of Latvia, the sample group make-up corresponds to the population structure [10, p. 142—162; 12]. The dimensions are as follows: gender (72% - women, 28% - men); by age (72% - 21-24 years, 16 %

- 25-29 years; 12 % - over 29 years, but they are not taken into account in the research); by fields of study (social sciences and humanities - 73 %, natural sciences – 14 %, engineering – 13 %) -

In this article, we understand economic consciousness as an aggregate of knowledge, ideas, feelings, attitudes, and other components that constitute the process and result of the reflection of economic relations and phenomena, and determine their understanding and perception (see pic.) [4, p. 18; 13].

The main determinant of economic consciousness as a complex structure is practical economic thinking. Such thinking includes interests, motives, attitudes that can be affected by external changes in economic practice. They form the content of practical economic thinking. Thus, society and its institutions should put in effort to fill the content of the practical economic thinking of the youth, as well as of other social groups, with socially significant modi (values) that are responsible for sustainable economic development [2, p. 36—37, 114—115].

We divided the respondents into two age groups. The first group consisted of 18-24-year-old students: at this age, the process of acquiring professional knowledge and skills is the most intensive. The other group consisted of 25-29-year-old young people. It is the period when a qualified specialist is being formed, and when the initial professional training is finished. At 29, the process of socialisation is completed, the individual acquiring responsibility for their activities and results in the sphere of socioeconomic relations [3, p. 248—249].



Pic. Structural operationalisation of the notion of "economic consciousness"

Source: compiled by the author.

Attitude of university graduates to economic processes in Latvia

The respondents' economic consciousness is characterised by the acceptance or non-acceptance of the present-day rules and relations in the economic activity and its social consequences in the country. Today, the economy of Latvia is dominated by private property (more than 90% of all forms of property). But only one third of the respondents (34%) think that the development and domination of private property facilitate the development of the country's economy. More than a half of all respondents (59%) believe that the development of small and medium enterprises is an important precondition for the Latvian economy to advance. It is directly related to the expectations of new jobs, which would increase the employment rate.

Probably, such an attitude is determined by the fact that a significant percent of regional private property is related to small and medium service enterprises, where their low economic efficiency is considered as a form of owners' survival [14, p. 45—61]. 55% of all graduates are positive in their assessment of growing competitiveness in business, on the labour market and in society; 65% of respondents approve of foreign investment into Latvian economy. It apparently reflects the awareness that to compete on the international market, medium and large enterprises need significant investments exceeding the capacities of local entrepreneurs.

Among the processes that destroy Latvian economy, the following are most frequently referred to: unemployment or the risk of it (67%), the growing share of fee-based education and services (31%), and the emergence of the class of the rich (26%). Thereby, Latgale university graduates express their negative attitude to the difficulties on the way to self-fulfilment and to the increasing inequality of education, healthcare, etc. One can say that our respondents definitely oppose the existing liberal-pragmatic development of market economy in Latvia and support socially responsible economy, i.e. the greater state participation in economy and social management. To the question "Which type of property is more efficient for Latvian economy?", 34% of Latgale university graduates gave the answer "private property rights to natural resources and capital (land, enterprises, finance); 23% spoke in favour of "the combination of private and public property with the dominance of the former". So, 57% of the respondents consider the dominance of private property efficient for Latvian economy. At the same time, 15% chose "the dominance of public property in the fields of resources and capital", and 28% - "the combination of public and private property with the dominance of the former". In general, more than half (51%) of the respondents would prefer the combination of public and private property in Latvian economy, and the existing absolute dominance of private property is supported only by a third of Latgale university graduates (34%).

Answering the question "Which groups of working population contribute more to the development of Latvia", 63% of the respondents named the employees of industrial sector, 60% – the employees of traditional services sector (trade, finance, transport, tourism), 58% – the employees of information services sector (telecommunications, IT, etc.). The employees of agricultural sector also ranked high (27%). Students are apparently concerned about Latvian dependency on imported food, which undermines Latvian economic security and has destroyed the once strong agriculture of the region and the country.

Attitude of Latgale university graduates to poverty and wealth

Regarding the attitude to wealth, more than half of the respondents said that wealth was not a priority for them; it is not an end in itself for 53%. At the same time, a significant number of respondents support accumulating wealth both legally (31%) and with a risk of criminal penalty (12%). The respondents revealed a high level of tolerance. Only 4% answered that they did not trust the rich, thinking that they had grown rich at the expense of others. In general, one can come to the conclusion that Latgale university graduates understand wealth not as luxury, but as quality of life characterised by stable material welfare, prosperity based on personal efforts and qualification.

Attitude of the respondents to labour and the choice of a profession

The economic crisis has aggravated the unemployment problem both in the region and in the country in general: over the last year, the unemployment rate has increased from 6.1% to 16.3% and is tending to grow [7]. Nevertheless, even in the context of a favourable economic situation and fairly available information on the labour market, a significant number of university graduates in Latgale, as well as in other regions, were to a certain extent unprepared for the transition from their study to work stage.

The survey showed that the absolute majority of the respondents had consciously chosen their profession. To the question "What attracts you in your profession?" 98% gave the answer that their occupation was interesting and creative, and provided opportunities for professional development (career) or was well-paid (96%). The graduates that paid tuition fee (29%) proved to be more satisfied with their profession than the respondents in general. These data correspond to the results of research conducted in Russia, which analysed the separate characteristics of the economic consciousness and behaviour of educated youth [8, p. 59]. There is a reason for growing concern, for in spite of the tough competition almost 100% of the respondents said that they were sure in the stability of the profession they had chosen to study. Such an answer reveals the "must-be" attitude, which is incongruous with the actual employment situation and the difficulty to adapt to the labour market with the received education and qualification; this indicates the complexity of the process of adaptation to new conditions and requirements connected with entering the labour market. The personal experience of taking a part-time job during the studies (55% of the graduates) shows the following: only 30% of the respondents took a job related to their field of study, 33% – partially related ones; the part-time jobs of 37% were not related to their field of study at all. Moreover, the respondents confidently answered the question "Are you satisfied with the expected salary of a freshly graduated qualified specialist in Latvia?" Only 8% answered positively; the majority (52%) said they were partially satisfied, while 40% answered negatively.

In their answers to the question "Which qualified professions are in demand/not in demand on the Latvian labour market?" the Latgale university graduates specified their views, if largely subjective, of the occupations prioritised on the Latvian labour market (see table 1).

Table 1

**Priority professions on Latvian labour market determined
by Latgale university graduates (% of the respondents, N = 239)**

Priority	In demand	Not in demand
Doctor	89	11
Industrial engineer (power engineer, manufacturing engineer, etc.)	87	13
Construction engineer	85	15
IT engineer	84	16
Specialist in transport, logistics	77	23
Teacher	74	26
Specialist in economics, management, finance	66	34
Specialist in physics and mathematics	59	41
Specialist in natural science (biology, chemistry, etc.)	53	47
Lawyer	49	51
Specialist in languages (journalist, translator)	48	52
Specialist in social sciences (sociologist, psychologist, social worker, etc.)	40	60
Specialist in fine arts, music, architecture	19	81

The three highest-ranking professions according to the survey among university graduates are: 1) doctors (89% of the respondents); 2) industrial engineers (87%); 3) construction engineers (85%). The three least marketable professions are: 1) specialists in fine arts, music, and architecture (81% of the respondents); 2) specialists in social sciences (sociologists, psychologists, social workers (60%); specialists in languages – journalists, translators (52%). The data may result from the limited demand for such specialists on the regional labour market. At the moment, the situation in the region is characterised by crisis-caused instability on the market of qualified workforce.

Which labour values and attitudes dominate in this group? The main job criteria are "the opportunity of self-fulfilment at work" (60%) and "the support and respect of other people" (54%). It means that more than a half of the respondents consider their professional activity not just a source of income but also a means of personal self-fulfilment. In this group, such an *attitude to labour* is related to the basic values that feature here as personal resources: education, career, professionalism (94%), good health (94%), a close-knit family (93%); the aim is to achieve material wealth (83%).

More than half of university graduates have a part-time job experience in the local and regional labour markets; consequently, they have a realistic view of the market situation. Interestingly, 70% of the respondents took part-time jobs that were barely related to their field of study. One of the reasons is the absence of a regional internship system in the framework of the chosen field for senior students in Latgale.

The research on economic consciousness of university graduates requires an examination of the structure of their priority targets, ambitions, as well as the directions, probability and methods of obtaining material and social benefits. The respondents were asked: "How do you imagine yourself in 5 years, and which of the listed items will you possess?" The questionnaire offered several variants of plausible and achievable benefits. The most popular answer was "a good family, an interesting job" (48%). 25% mentioned own house/flat as an achievable benefit; 27% were aimed at postgraduate study. The same number of graduates is planning to live where their labour would be remunerated by a respectable salary - maybe abroad.

The graduates consider the following targets as achievable: "to live better than parents" – 20%, "to have a stable job, regardless of the location – 17%, to own a profitable business – 16%. The two last answers indicate little inclination for business activity, entrepreneurship, which significantly differs from the orientation of Russian respondents, almost half of whom showed this inclination [7, p. 59; 9, p. 126]. One of the least mentioned opportunities was "to choose freely the place of residence and field of activity" (10%). Although the borders of the 27 EU countries are open for Latvian students, due to various 'filtering' national market requirements to qualified specialists (certification, language, skills, track record of relevant experience, etc.), such an opportunity becomes less important for most of them. The lowest

ranking opportunity was "to undertake advanced training, acquire a more demanded profession" (9%), which suggests a conscious choice of the field of study for 9/10 of Latgale graduates.

At the same time, university graduates' answers reveal a fairly low level of goals and ambitions by (none of the variants was chosen by more than a half of the respondents). This fact indicates the dominance of the active-adaptive and passive-adaptive types of practical economic consciousness (and thinking) among Latgale university graduates over the purely active type. It is in line with the fact that more than half of the respondents do not aspire to wealth. As mentioned above, 53% of graduates chose the answer "wealth is not a priority for me, I do not deliberately pursue this goal".

Despite the ongoing differentiation processes in the economic consciousness of the respondents, it simultaneously embraces two systems of values: the traditional labour system and the individualistic (market-pragmatic one). Among the answers to the question "Which values do you share?", the following were ranked highest: 1) education, career; good health (94%); 2) close-knit family (93%); 3) material welfare (83%); 4) to be loved (71%). Students in Russia and other post-socialist countries estimated these values in a similar way [1, p. 113—119; 8, p. 339]. More than half of the respondents mentioned such traditional labour values as "the opportunity of self-fulfilment at work" (60%), "support and respect of other people" (54%). These are followed by such an answer as "earn less but enjoy stable income and the absence of risks" (38%).

Less than 1/3 of the respondents support such individualistic values as "to rely only on myself and my own resources" (30%), "earn more, taking risks and being active" (17 %). The value of wealth is ranked the lowest, selected by just 13% of Latgale graduates. The attitude of the respondents to the basic values (values-targets) and the instrumental values (values-instruments) are quoted in the table 2.

Table 2

**Attitude of the respondents to the basic and instrumental values
(% of the respondents, N = 241)**

Values	Positive	Rank
Education, career, professionalism	94	1
Good health	94	1
Close-knit family	93	2
Material wealth	83	3
To be loved	71	4
Self-fulfilment at work	60	5
Support and respect of other people	54	6
Earn less but enjoy stable income and the absence of risks	38	7
Rely only on yourself and your resources	30	8
Earn more, taking risks and being active	17	9
Religion	16	10
Wealth	13	11

One of the aims of this research was to establish the correlation between Latgale graduates' views on the ways to achieve success and on the prevailing methods of achieving it in Latvia. The analysis of university graduates' answers shows that they share the same opinions concerning a number of positions. The common point in achieving success both in personal and public opinion is the high estimate of education, professional training (ranked first). Nevertheless, the role of external factors in achieving welfare cannot be overlooked. Thus, the job (position, salary) is important for 76% of students; 74% of the respondents view the same factors as crucial for gaining social success. Luck is important for 80% of university graduates; 59% said that it helped to succeed in Latvia. It seems to be a positive tendency that 81% of the respondents chose initiative and persistence to be an instrument of achieving personal success, while pragmatism, cynicism in achieving goals were mentioned as a possible means by 50% of the respondents. At the same time, the growing conformism of mass consciousness is also indicated by the lowest ranked answers to the question "What helps to succeed in the present-day Latvia?": "honest labour" - 43% (ranked eighth), "pragmatism, cynicism in achieving goals" – 38 (ranked ninth), "honesty, adherence to the principles" – 23% (ranked twelfth).

The majority of answers reveal a steady correlation between ambitions and ways to achieve success (professional training, high qualification, good health). At the same time, their economic consciousness is ambivalent, aimed at both 'adventurous' and external means of achieving success (luck – 80%) and purely active ones (initiative, persistence – 81%). This ambivalence of the economic consciousness of Latgale

university graduates can be explained by a peculiar adaptation to the arising situation in the present-day socioeconomic sphere in Latvia. On the one hand, the accession to the EU, a much greater youth mobility, and integration into global economy improved young people's chances in achieving their goals. But, on the other hand, at the local level, a lot is still determined by such traditional personal labour attitudes as competence, initiative and persistence.

It is a progressive development that the role of higher education and professionalism increased in the economic consciousness of Latgale university graduates. Another positive tendency is the absence of a dramatic shift of interests towards pragmatism as a basic category of market rationality under the conditions of Latvian liberal market economy. From 38% to 50% of the respondents share these interests.

We believe that it can be explained by the fact that the population of Latgale consists largely of Latvians (approx. 44%) and Russians (approx. 40%) [11, p. 142—143]. Both peoples belong to the 'feminine' type of culture (according to Geert Hofstede's ethnometric approach to assessing economic and cultural values), which is characterised by the attention to neighbours, the priority of family values and the rejection of egoistic orientation towards individualistic profit [6, p. 80—86]. Consequently, we deal with certain conservatism of economic thinking of Latgale university graduates, despite the fact that contemporary young people are more mobile, tolerant and easily accept material benefits and money as values. It turns out that, for the majority, success does not justify all means, and, for almost half of the respondents, its achievement is connected with the ethical norm of justice, which implies that the social status of a person is determined by their own effort and not only by external factors (personal contacts, place of residence, job, etc.).

On the basis of the research conducted, we can come to the **conclusion** that the ambivalence in the perception of the market values (individualism, rationality, aspiration for profit) and the non-market ones (collectivism, aspiration for justice and material welfare but not to wealth as an end in itself, etc.) will maintain in the economic consciousness of the university graduates of the region for a significant period of time.

Today, the dominant type of economic consciousness is the intermediate, active-adaptive one. As for the region's university graduate, they have the personal potential marketable in the current economic situation: socially significant modi (values), understanding of contemporary requirements in the labour market, their own opportunities, and the limits their influence on socioeconomic processes can extend to.

The comparative analysis of our data and those obtained by other Russian authors shows the similarity of the economic consciousness and attitudes of Latgale and Russian university graduates in terms of individual characteristics (attitude to labour and to the choice of profession, basic values related to the meaning of life, etc.) [1; 7—9]. Thus, the results presented can be useful for further comparative research on similar subjects.

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